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26 March 1952

MEMORANDUM FOR THE DIRECTOR OF CENTRAL INTELLIGENCE

SUBJECT: Inter-Agency Views on NIE-27/1: Chinese Communist Capabilities and Intentions with Respect to Taiwan

BACKGROUND

1. This estimate was scheduled on an urgent basis pursuant to IAC action on 24 January. Tentative conclusions reached after a review of the evidence were negative, and consequently the priority was lowered to "high."

2. Subsequently the estimate was submitted to the IAC for consideration at its meeting of 7 February. At that meeting the IAC decided that the estimate was too narrow in scope since it considered only the continuation of the prevailing situation in Korea. The IAC requested that the estimate be revised to include the additional contingencies of (1) the conclusion of an armistice in Korea, and (2) the renewal of large-scale hostilities in Korea. This has now been done. The time period of the estimate was also changed to cover the whole of 1952.

SUBSTANCE

3. With the exception noted below, no significant differences of opinion on the paper among the IAC agencies is apparent or expected. The State representatives expressed some concern over the estimate of the Communist subversive potential on Taiwan contained in paragraph 35 on page 17. It was his view that in the event of a large-scale invasion of Taiwan the threat of Communist subversion would be greater than indicated in this paragraph.

4. Through the good offices of General Patridge, working terms of the Joint Strategic Plans Group of the Joint Staff commented on certain aspects of this estimate which were concerned with US capabilities and intentions. Since the validity of this paper is singularly dependent upon consideration of US capabilities and intentions as well as enemy capabilities and intentions, these comments were of inestimable value. The estimate is now in substantive agreement with the comments of the Joint Staff. We have forwarded to you through Mr. Becker a copy of the Joint Staff comments. Another copy is attached hereto for your convenience.

NB The assumption

SHERMAN KEENE
Assistant Director
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